Friday, May 22, 2009 Contact Jim Hubbard (202) 225-2671

Chrysler and GM have shared plans to keep a disproportionate number of jobs overseas

(WASHINGTON, DC) - Congressman Russ Carnahan (MO-03) today led a regionally diverse coalition of lawmakers in urging President Barack Obama to do everything in his power to pressure American automakers who received nearly \$25 million in U.S. taxpayer assistance to preserve U.S. production capacity and jobs.

Congressman Carnahan successfully enlisted the support of twelve Members of Congress including Majority Leader Steny Hoyer (MD), Congressmen Paul Kanjorski (PA), Betty Sutton (OH), Mark Schauer (MI), Marcy Kaptur (OH), Gwen Moore (WI), Eric Messa (NY), Phil Hare (IL), Ike Skelton (MO), Lacy Clay (MO), and Mary Jo Kilroy (OH).

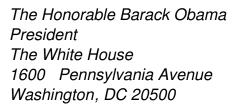
"The American people rightfully expect that companies receiving the assistance of taxpayer dollars do everything humanly possible to maintain jobs right here in the U.S.," said Congressman Carnahan.

"It is unacceptable to ask for help from American taxpayers and then cut jobs in the U.S. while maintaining a disproportionate number of jobs abroad or shift more production and jobs overseas."

Yesterday, Congressman Carnahan also joined Majority Leader Steny Hoyer in sending letters to Chrysler and GM's leadership asking them to detail their rationales for a shift in workforce and manufacturing reductions in U.S. operations opposed to non-U.S. operations.

The coalition sent the following letter to President Obama.

May 22, 2009



Dear Mr. President:

Since December of last year, the Federal government has provided nearly \$25 billion in financial assistance to General Motors and Chrysler in order to address the short term crisis and the long term viability of the domestic auto industry. Our domestic auto capacity with its network of suppliers is and should continue to be a major foundation of our economic and national security. Both General Motors and Chrysler came to Congress last year and told us without this financial assistance they would be in serious financial jeopardy that threatened not only their success but their very existence.

We would like to commend the efforts of your Task Force to save the U.S. auto industry and force a long overdue transition to a new generation of vehicles that will also make us more globally competitive and environmentally sustainable. However, we are extremely concerned about the automobile industry's long term commitment to domestic production and the impact on jobs and communities across the country.

The primary intent of Congress was for this assistance to be used by the auto industry to help the domestic auto industry survive and keep U.S. production and jobs - not just to preserve a brand name or see production further shifted overseas. Described by legislation passed by the House said the funding would be used to preserve and promote "the jobs of American workers employed directly by the domestic automobile industry and in related industries."

We are deeply troubled by recent news that both Chrysler and General Motors plan to close plants in the U.S. while maintaining production at overseas plants producing the same car or with similar capacity. The Federal government did not provide these resources for companies to move well paying manufacturing jobs outside of the United States.

We ask you and your Administration to use all available leverage to maintain maximum U.S. production and jobs as the American auto industry grows its capacity to meet this future demand and preserve our ability to expand domestic capacity. We request that you communicate with Chrysler and General Motors leadership in the strongest possible terms that it is unacceptable to the Administration or Congress for them to pursue strategies that further reduce U.S. production or shift production overseas while U.S. taxpayers are substantially supporting their recovery.

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